

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 97 – SB 249

March 1, 2017

SUMMARY OF ORIGINAL BILL: Requires the Department of Education (DOE) to contract with a national nonprofit education organization to form a partnership called the Tennessee College Credit Partnership (TCCP). Requires the contracted partner to provide support for the expansion of college credit opportunities for students in Tennessee. Such support includes, but is not limited to, staffing in select schools and local education agencies (LEAs); professional development; data analysis; and reporting. Repeals the pilot program on enhanced accessibility of advanced placement (AP) and career and technical certification courses. Requires the state to pay the examination fees of college credit and career and technical certification or licensure exams.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures — Exceeds \$7,044,700/Recurring

Decrease State Expenditures - \$400,000/One-Time

Other Fiscal Impact – Some portion of the industry certification or licensure examination fees may be paid to the respective state licensing boards; however, any such amounts cannot be reasonably determined.

SUMMARY OF AMENDMENT (004379): Deletes all language after the enacting clause. Requires the DOE to contract with a national nonprofit education organization to form a partnership called the TCCP. Authorizes the DOE to form a partnership with selected schools and LEAs, in lieu of partnering with a national nonprofit education organization, to improve postsecondary college readiness and ensure that students have access to high quality, rigorous academic programs or courses. Requires any such contracted partner to provide support for the expansion of college credit opportunities for students in Tennessee. Such support includes, but is not limited to, staffing in select schools and local education agencies (LEAs); professional development; data analysis; and reporting. Establishes a mechanism by which the Commissioner of the DOE will be authorized to award grants to pay for early post-secondary and industry certification exams; establishes an amount not to exceed \$10,000 subject to an appropriation to be funded for such purpose in FY17-18, with future appropriations being required by the General Assembly.

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FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures – \$1,161,200

Assumptions for the bill as amended:

- Based on information provided by the DOE, the Department will partner and contract with selected schools and school districts pursuant to Section 1(d) of the proposed amendment in lieu of partnering with a national non-profit entity to form the proposed partnership pursuant to Section 1(a – c) of the proposed amendment.
- The recurring increase in state expenditures to contract with selected schools and school districts is estimated to be \$1,151,200. These recurring state expenditures include funding for staffing (\$360,000); travel costs for staff (\$31,200); professional development (\$750,000); and materials development for technical assistance (\$10,000).
- There will be a recurring increase subject to appropriations to fund the grant authorized pursuant to the added language in the amendment estimated to be \$10,000 per year.
- The total recurring increase in state expenditures as a result of the bill as amended is estimated to be \$1,161,200 (\$1,151,200 + \$10,000).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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